

(b) if so, what is the status of the fund disbursement and who are the members of the Committee?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL) : (a) and (b) On the basis of the recommendations of the Pharmaceutical Research & Development Committee (PRDC) constituted by the Government under the Chairmanship of Dr. R.A. Mashelkar, director General, CSIR establishment of Pharmaceutical Research & Development Support Fund (PRDSF) to promote research in the Pharmaceutical Industry in the country was announced. Operationalisation of the fund is under consideration of the Department of Chemicals and Petrochemicals.

Determination of Rate of inflation

1769. SHRI RAJU PARMAR:

SHRI BHAGAT RAM MANHAR:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that inflation rate stood at 5.52% for week ended on 2nd June, 2001 even as prices for primary articles rose by 0.4% per cent;

(b) if so, what is the method used to determine rate of inflation;

(c) what is the Wholesale Price Index (WPI) on 2nd June, 2001 and whether it is higher than that in the last year on the same date;

(d) whether Government propose to modify the method to determine rate of inflation in future; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes Sir. The annual point to point inflation rate based on the Wholesale Price Index (WPI) stood at 5.52% for the week ended June 2, 2001. The index of primary articles increased by 0.4% during this week thus pushing up the inflation rate in the primary articles group to 2.8% on June 2, 2001.

(b) The percentage variation in WPI at a particular point of time over the corresponding period of the previous year indicates the annual inflation rate at that point of time. The WPI is calculated on a weekly basis on the principle of a weighted arithmetic average using Laspeyer's formula, which has a fixed

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base-weighting diagram. The current WPI series is computed on base 1993-94-100 and covers 435 items distributed between the primary, fuel and manufactured product groups.

(c) The WPI as on June 2, 2001 was 160.6 (provisional) as against 152.2 in the corresponding period last year.

(d) and (e) With a view to reflecting adequately the changes that have taken place in the economy since 1981-82, a new WPI series on base 1993-94 and with a revised commodity coverage and weighting diagram was introduced with effect from April 1, 2000. This series has been rationalised by incorporating newly emerging and important items and deleting some unimportant items. It has attempted to do away with the methodological lacunae existing in the older series. Since the current WPI series has been introduced fairly recently, there is no proposal for modifying the methodology at this stage.

Modern Syntex (India) Limited (MSIL)

1770. SHRI RAJU PARMAR:

SHRI BHAGAT RAM MANHAR:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that Modern Syntex (India) Limited (MSIL) are involved in misappropriation and fudging of accounts for the last three years in order to obtain higher net loss;

(b) whether MSIL has shown Negative Net worth and Accumulated losses enabling them to classify as sick industrial company under Sick Industrial Companies Act, 1985;

(c) if so, the details thereof;

(d) whether Government propose to probe the financial irregularities of MSIL through an independent investigating agency and not declare this company as sick under the above Act; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (e) The information is being collected and will be laid on the Table of the House to the extent available.